



Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

**Matter of:** David L. Jensen-Waiver of erroneous payments

**File:** B-258487

**Date:** February 9, 1995

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### DIGEST

Former member is entitled to waiver of indebtedness under 10 U.S.C. § 2774 resulting from erroneous payment of direct deposit paycheck following discharge because member was not given final separation worksheet which showed how final pay was computed and because of numerous other errors in computation of final pay which prevented member from being able to compute final pay amount.

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### DECISION

David L. Jensen, a former member of the Navy has appealed the settlement of our Claims Group, dated July 1, 1994, which partially denied his request for waiver of his debt to the United States resulting from erroneous payments incident to his military service. We modify the Claims Group's settlement.

Mr. Jensen's debt arose from miscalculations in computing his final pay upon his discharge from the United States Navy on December 31, 1992. The total amount of his debt was \$3,633.38, which consisted of several components: an unearned bonus of \$1,852.20 not recouped by the Navy, \$470.16 resulting from a pay computation error, an erroneous allotment of \$350, a final direct deposit paycheck of \$820.16, and a travel payment of \$140.86. This total was reduced by miscellaneous credits to \$3,574.78. Our Claims Group waived all of the above items except the final pay of \$820.16 and the travel payment of \$140.86 for a total of \$961.02 plus interest.

The \$140.86 travel payment was a valid payment, and as such, may not be waived. The payment was an advance which Mr. Jensen should reconcile with any travel expenses he had incident to his discharge. Although he says that he was not entitled to a travel payment since he was enlisted and discharged at the same place, he should contact the Defense Finance and Accounting Service (DFAS), Cleveland, Ohio, to resolve that portion of the claim. In any event it appears that the travel advance was a valid payment when made and may not be considered for waiver.

In his appeal, Mr. Jensen states that he had been advised just prior to his discharge that it was too late to stop the issuance of his direct deposit pay check but that that amount would be deducted from his final pay. While this deduction was not made, he contends

that based on the above advice, there was no reason for him to question the amount of the final paycheck.

Section 2774 of title 10, United States Code, provides authority for waiving claims for erroneous payments of pay and certain allowances made to or on behalf of members or former members of the uniformed services, if collection of the claim would be against equity and good conscience and not in the best interest of the United States. Generally, these criteria are met by a finding that the claim arose from administrative error with no indication of fraud, fault, misrepresentation, or lack of good faith on the part of the member or any other person having an interest in obtaining the waiver.

According to the record before our Office, Mr. Jensen did not receive a separation worksheet showing the calculations made to determine his final pay. Both DFAS and our Claims Group found that waiver was proper for the items which they waived because there was no way he could have determined there was an erroneous payment since he did not receive a final accounting statement. We find the same logic should apply to the final direct deposit pay of \$820.16, since he had been advised that it would be taken into consideration in the final computation of his pay and allowances by the Finance Center. We find he is without fault especially in view of the numerous other miscalculations in the final pay which would have precluded him from computing the amount he should expect to receive.

Accordingly, waiver is granted for the remaining \$820.16. The settlement of the Claims Group is so modified.

\s\ Seymour Efros  
for Robert P. Murphy  
General Counsel